

SENATE JUS

Exhibit No. 6

Amendments to Senate Bill No. 74 Date 1-30-07
1st Reading Copy

Bill No. S.B.-74

Requested by Senator Jerry O'Neil

For the Senate Judiciary Committee

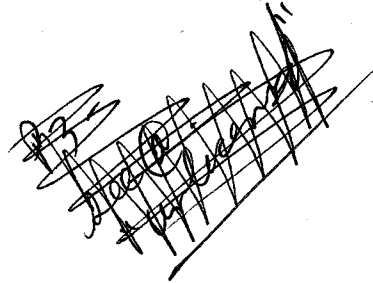
Prepared by Valencia Lane
January 18, 2007 (7:12am)

1. Page 2, line 12.

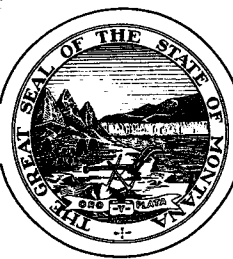
Following: line 11

Insert: "(5) This part does not apply to a person who makes less than four loans a year and complies with the provisions of Title 31, chapter 1, part 1."

- END -



DEPARTMENT OF ADMINISTRATION
DIVISION OF BANKING AND FINANCIAL INSTITUTIONS



BRIAN SCHWEITZER
GOVERNOR

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MEMORANDUM

841-2927

To: Senator Jerry O'Neil

FROM: Annie M. Goodwin, Commissioner *Annie M. Goodwin*
Division of Banking and Financial Institutions

DATE: January 17, 2007

Senator O'Neil:

Attached is the amendment for SB 74 which allows an individual to make 4 or less loans as long as the loans comply with the Montana usury statute in Section 31-1-101, et seq, MCA, without being subject to the Montana Title Loan Act. This language mirrors that contained in HB 69, which is the Division's revision of the Consumer Loan Act. The language is specifically designed to allow family members and friends to make small loans without becoming subject to the Title Loan Act.

If you should have any questions, please call me at 841-2920.

c: Senator Larry Jent

31-1-802. Purpose -- rules -- scope -- fees. (1) The purpose of this part is to protect consumers who enter into short-term, high-rate loans with lenders from abuses that occur in the credit marketplace when the lenders are unregulated.

(2) The department may adopt rules to implement the provisions of this part. The rules may include but are not limited to rules establishing forms and procedures for licensing, rules pertaining to acceptable practices at a business location, rules establishing disclosure requirements, and rules establishing complaint and hearing procedures.

~~(3) This part does not apply to pawnbrokers.~~

(4) (3) This part may not be construed as affecting in any way the method of perfecting security interests on personal property provided for elsewhere in law.

~~(5)~~ (4) Fees collected under this part must be deposited in an account in the state special revenue fund to be used by the department in carrying out its supervisory functions under this part.

(5) This part does not apply to a person who makes less than 4 loans per year and complies with the provisions of Title 31, chapter 1, part 1.

AMENDMENT SB 74

- (5)
1. Page 2, line 12

Insert: "This part does not apply to a person who makes less than 4 loans per year and complies with the provisions of Title 31, chapter 1, part 1. "